GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

STARRED QUESTION NO:14
ANSWERED ON:24.07.2006
CONSUMER PRICE INDEX
Das Gupta Shri Gurudas

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether the major central trade unions have complained that the current Consumer Price Index (CPI) does not reflect the real increase in retail prices of essential commodities and have demanded to readjust the CPI to the price rise of essential commodities;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

Answer

MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRASEKHAR RAO)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO LOK SABHA STARRED QUESTION NO.14 REGARDING CONSUMER PRICE INDEX RAISED BY SHRI GURUDAS DASGUPTA TO BE ANSWERED ON 24.7.2006

(a) to (c): In his letter dated 30.5.2006 addressed to Labour Bureau, Shri Uday Patwardhan, General Secretary, Bhartiya Mazdoor Sangh observed that the new All India Consumer Price Index (AICPI) remaining stagnant during January to March, 2006, despite increase in prices of wheat, rice, sugar, gur, cereals etc., possibly due to improper price collection, has eroded dearness allowance payable to employees, which should be rectified.

A reply has been sent to Shri Patwardhan by Labour Bureau on 14.7.2006 stating that as against January, 2006, during February, 2006 price indices decreased in 30 centres, while they remained stationary in 31 centres and recorded increase in 17 centres. Similarly, during March, 2006 while price indices decreased in 19 centres, they remained stationary in 27 centres and increased in 32 centres. On the other hand, during April, 2006, while price indices decreased in 5 centres, they remained stationary in 15 centres and increased in 58 centres. As a result, while rounding up, the AICPI with base 2001=100 remained at 119 during January, February and March, 2006 but increased to 120 during April, 2006.